

# OFFICE OF ADMINISTRATION



Philip F. Rooney  
Director

## ORGANIZATION

Overall administration of Bureau activities is the responsibility of the Commissioner of the Financial Institutions Bureau. The Commissioner is appointed by the Governor with the advice and consent of the Senate and serves at the pleasure of the Governor under the provisions of the Michigan Banking Code of 1969, as amended.

The Commissioner is assisted in the administration of the Bureau by a chief deputy commissioner. Working with/for him are: the deputy commissioner of the Office of Regulation, and the directors of the Office of Policy and Legislation, and of the Office of Administration.

The Office of Administration provides support in the personnel and training areas, budget development and financial management, micro-computer systems, physical facilities, and various office management activities. Support services are provided at minimum cost by consolidating services and reducing duplication which enable division managers to utilize their respective resources more effectively to meet their program goals and objectives.

## MANAGEMENT SERVICES DIVISION

The Management Services Division was created in 1997 by consolidating several support services into one organizational unit. The division's responsibilities include the management training program, human resource management, policy and procedure development and implementation, Performance Planning Review and Development Program, financial management including coordinating the development of the bureau budget, bureau record retention and disposal schedule, microfilm operations, and various other special projects and support activities.

## CURRENT ACTIVITIES

Accomplishments in 1997 included conducting training sessions which focused on current needs of Bureau managers and supervisors, leading a Bureau-wide group which drafted a pay for performance program for employees, and automating the Bureau's Policies and Procedures Manual to on-line status to provide easier access for field staff.

## YEAR 2000

Prior to the year 2000, the division will be looking at the Bureau's revenue system, the personnel payroll system, and the Personnel Profile System to identify and make necessary modifications in order to ensure that they are in compliance.

## MICROCOMPUTER OPERATIONS DIVISION

This division has responsibility for installing and maintaining the Bureau's computer hardware and software, network systems, and for coordinating computer training programs.

Daniel C. Tsai, the division's Data Processing Coordinator, retired at the end of March 1997 after working 19 years for the Bureau. Paul C. Wei, Acting Information Systems Coordinator, is currently the head of this division.

## ACCOMPLISHMENTS

During the past year, division activities included the establishment of a multimedia room that provides access to a CD writer, digital camera, and photograph printing equipment; the distribution of over 50 replacement notebook computers to field staff; expansion of the Bureau's Internet by adding downloadable versions of over 80 forms used by our customers; updates to acts administered by FIB and adding information such as declaratory rulings, an overview of the Bureau, and a telephone number referral guide. This division is currently overseeing the migration of the Bureau to Windows 95 and the Microsoft Office 97 computing environment.

## YEAR 2000

With the year 2000 approaching, a survey was conducted of Bureau-developed computer systems to determine whether there is year 2000 compliance. Systems identified as needing modifications and whose usefulness will extend to the year 2000 and beyond will be prioritized for updating to bring into compliance.

A large step forward in the use of digital resources in the Bureau resulted in the establishment of our Intranet, known as "Webster," which currently offers a wide range of information including financial

status reports, strategic planning documents, manuals, ongoing legislative summaries, and the Bureau calendar. This is foreseen as the master source for internal information used by Bureau staff.

## BUREAU REVENUE AND EXPENSE

The Bureau's expenses are funded entirely from restricted revenue. These are fees assessed financial industries regulated by the Bureau for supervision, examinations and investigations, fines, corporate transactions, applications, and license renewals. Expenses include employee payroll, travel costs, supplies, communications, rent, computer network, and contractual services. The Bureau is assessed overhead charges for building rent and for services provided to us by the departments of Consumer and Industry Services and Civil Service.

### CHIEF DEPUTY COMMISSIONER

Russell S. Kropschot

### OFFICE OF ADMINISTRATION

Philip F. Rooney, Director

Julia A. Kennicott, Executive Secretary to the Director

### MANAGEMENT SERVICES DIVISION

Sonya W. Dungey, Director

Judie C. Bennett, Project Coordinator

Sally J. Lindsay, Financial Assistant

David P. McCallie, Mail Coordinator

Stanley S. Pollitt, Revenue Coordinator

Danielle R. Powers, Personnel Assistant

Kathleen A. Simon, Financial Specialist

Ricky K. Withers, Student Assistant

Patricia M. Thelen, Microfilm Coordinator

Mina M. Malcolm, Microfilm Operator

### MICROCOMPUTER OPERATIONS DIVISION

Paul C. Wei, Acting Information Systems Coordinator

Leigh A. Scherzer, Microcomputer Support Specialist

Donald R. Ward, Computer Specialist

Bryan C. Clarke, Student Assistant

Daphne C. Joyce-Raborn, Student Assistant

## REVENUE BY SOURCE

Program	FY97	FY96	FY95
Bank Regulation	\$ 6,336,095	\$ 6,561,420	\$ 5,706,051
Credit Union Regulation	3,765,005	3,625,644	3,267,244
BIDCO	46,522	103,988	104,148
Credit Card	1,100	4,325	55,155
Sale of Check	13,600	12,400	11,050
First Mortgage	1,049,681	873,265	589,047
Motor Vehicle	140,266	179,640	145,530
Omnibus	291,643	275,501	189,367
Secondary Mortgage	337,025	364,676	261,704
Regulatory Loan	26,150	42,771	24,055
Total Restricted Revenue	\$12,007,087	\$12,043,630	\$10,353,351

## EXPENSE BY PROGRAM

Program	FY97	FY96	FY95
Commissioner	\$ 100,700	\$ 86,082	\$ 58,070
Administration	1,229,569	1,184,151	1,200,185
Bank Regulation	4,980,898	4,863,972	4,652,397
Credit Union Regulation	3,029,397	2,885,285	2,626,337
Corporate Regulatory Services	644,477	674,132	677,100
Consumer Protection	1,496,562	1,252,340	1,177,273
Research and Consumer Services	323,050	270,668	306,002
Total	\$11,804,653	\$11,216,630	\$10,697,364

## TRAINING

The Financial Institutions Bureau has a highly-trained, professional staff of examiners and office employees working with the financial industry, the general public, and with other state government personnel. Supervisors and employees work together to develop and execute a training plan tailored for each team throughout the Bureau.

FIB employees often attend professional development and refresher classes conducted by other regulatory agencies. A majority of these classes are sponsored by either the American Association of Residential Mortgage Regulators, Conference of State Bank Supervisors (CSBS), Federal Deposit Insurance Corporation, Federal Financial Institutions Examination Council, Federal Reserve Board, National Association of State Credit Union Supervisors, National Association of Consumer Credit Administrators, or National Credit Union Administration. Classes such as Contemporary Critical Issues, Consumer Lending, Emerging Issues-Community, Enforcement Training, Fraud School, Risk Management, and Problem Resolution are held at several locations throughout the United States. A large number of Bureau employees attended one or more of these classes in 1997.

FIB employees have served as instructors for the schools mentioned above, on planning committees for those schools, and have been presenters at non-Bureau training conferences. In 1997, Shelley McCarthy, a senior bank examiner, was an instructor at the CSBS Bank Management/EIC School, and was curriculum core team chair for the same school. William Pilkington, a senior bank examiner, was an instructor at the CSBS Bank Financial Analysis School and the CSBS Senior School. He was also a

presenter at the Indiana Examiner Training Conference and at the Montana Banking Department's Bank Directors Conference. Michael Anderson, Trust Supervisor, Bank and Trust Division, was a presenter at the MBA Trust Regulation 9 Seminar.

Additionally, Bureau employees attend various graduate schools. In 1997, these staffers attended graduate banking schools: Roger Little, Director, Credit Union Division, attended the Graduate School of Banking, Louisiana State University, Baton Rouge, Louisiana; and Sheila Vigh, a senior bank examiner, attended the Graduate School of Banking, University of Colorado, Boulder, Colorado. Also, Michael Friedrich, a senior trust examiner, graduated from the Cannon Financial Institute's Trust Audit and Compliance School at Myrtle Beach, South Carolina. In addition, he gained designation as a certified trust auditor.

FIB management and senior examiners routinely serve as faculty members for the Michigan Bankers Association's Robert M. Perry Schools of Banking at Central Michigan University in Mount Pleasant. Russell Kropschot, Chief Deputy Commissioner, and Donald Mann, Director, Bank and Trust Division, taught at the General Banking School. William Pilkington taught at the Bank Auditors School.

There are several Michigan Department of Civil Service classes which are available to all employees for staff education and development. A sampling of courses offered are: If You Were in My Shoes, Franklin Quest Time Management, Business Writing Basics for Professionals, and Increasing Human Effectiveness. Many staff members from all Bureau divisions benefited from classes in 1997.

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The Bureau also supports a 50 per cent tuition refund program for employees who successfully complete college courses. These classes are job-related and employees attend them on their own time to enhance career skills.

The Bank and Trust Division holds a week-long training conference for its employees every 18 months. The latest one, held at Mackinaw City in October 1997, had the theme "Risk Management." Several speakers led sessions such as Market Risk and Technology Risk, and discussed subjects such as current issues surrounding data protection and data recovery, and issues involved with the year 2000.

FIB conducts an annual one-day training session for administrative support staff which provides an opportunity for improving their working environment, learning new skills regarding customer service, and assisting in instituting an overall consistent and organized office environment. In 1997, the theme was "Communication Inside and Out" and was led by Sharon Michaels of Sharon Michaels & Associates.

During 1997, the Bureau continued an internal management training program specifically designed to identify and address training needs of current and potential managers and supervisors to enhance job performance in the human resources area. Philip Rooney, Director, Office of Administration, and Sonya Dungey, Director, Management Services Division, conducted sessions covering a wide range of topics from equal employment opportunity responsibilities, affirmative action, and sexual harassment, to labor relations, travel regulations, and general management techniques. This is an ongoing internal training program for staff develop-

ment which focuses on the needs of Bureau managers to assist their understanding of current policies and procedures, regulations, and practices.

FIB has a strong commitment to providing appropriate training and development opportunities to its employees. This is part of a long-term goal to ensure the Bureau's continued dedication to excellence.